

## **Historic, Archive Document**

Do not assume content reflects current  
scientific knowledge, policies, or practices.



# Spotlight ON FOREIGN MARKETING

1 MAY 15 1959



4280.39

F765  
Cape

TO U.S. AGRICULTURAL ATTACHÉS AND FAS STAFF MEMBERS

Vol. II, No. 9

August 15, 1958

A U. S. AGRICULTURAL TRADE CENTER IN ROTTERDAM, NETHERLANDS, is planned by the American Farm Bureau Federation. The Center, which will supplement private trade and Government promotional efforts in Europe, is expected to open for business in the fall of 1958. Plans for such a trade center have been under discussion for over two years. Decision to locate in Rotterdam is predicated upon its close proximity to the hub of foreign commerce in Europe, an area which holds the best promise for an expanding dollar market for U. S. farm products. U. S. agricultural attaches in Europe have been notified of the center's projected activities, and feel that their own efforts to promote markets for U. S. farm products will be complimented by the plan.

U. S. FRIED CHICKEN WAS A HIT at the Ambassador's 4th of July party in Bern, Switzerland. Through arrangements of the Institute of American Poultry Industries, 250 quality U. S. frying chickens were served to the 700 guests. Agricultural Attache, Irwin R. Hedges, reports that skepticism on the part of the caterer and others disappeared after the first few servings. Ambassador Taylor was so pleased that he wants to repeat the menu annually.

Switzerland is one of the better markets for U. S. poultry products in Europe. An active market promotion campaign is being carried out in that country through the cooperation of the Institute. Through similar efforts in other European countries it is hoped that fried chickens, broilers and roast turkey will be as popular as cotton is becoming with the couturiers of Paris.

THE FASHION SWING IS BACK TO COTTON in Western Europe due to lower prices, U. S. promotional programs and improvements in finishing cotton garments. Between 1956 and 1957, total cotton and rayon mill consumption in seven countries--Austria, Germany, The Netherlands, Belgium, France, Italy and the United Kingdom--expanded from 7.4 million to 7.8 million bales. Cotton use in this area rose from 5.8 million to 6.2 million bales.

U. S. AGRICULTURAL EXPORTS FOR FY 1958 WERE \$4.1 BILLION, second highest on record. Exports in FY 1957 were \$4.7 billion. The export total dropped in foreign currency sales and barter; non-program exports, including credit sales, rose from 59% in 1957 to 69% in 1958.

SALES OF U.S. -TYPE CIGARETTES GAIN IN FRANCE according to a recent progress report on a 104(a) market development project there. Royales, a new brand manufactured by the French Tobacco Monopoly in June 1956, contains about 65 percent U.S. leaf. Sales during the first seven months, without benefit of advertising, was 12 million pieces per month. Limited advertising doubled the sales. Later, through a concerted promotional effort, sales jumped another 12 million pieces per month.

French consumers, attracted to Royales through advertising efforts and tastes, tend to remain with the brand. It is through positive promotional efforts, such as this, that U.S.-type cigarettes are gaining acceptance in France, Japan, and other areas of the world.

U. S. FARM PRODUCTS FEATURED AT BRAZILIAN FOOD EXPOSITION in Sao Paulo drew thousands of visitors. Commodities featured were: wheat, cotton, dairy products, dried fruits, beans, vegetable seeds and frozen foods. A poultry feeding display was designed to stimulate an expanded poultry industry as a means of creating a greater market for U. S. feed grains and supplies. Various grades and types of U. S. wheat were demonstrated in producing quality bakery products. Other features were a milk recombining plant, and a cotton fashion show.

THAI CIGARETTE OUTPUT RISES. Cigarette output in Thailand rose in 1957 to 8.5 billion pieces--slightly more than in 1956. Output has increased in recent years in response to growing consumption, which has risen about 63 percent since 1950.

Thailand imports substantial quantities of U. S. flue-cured tobacco to blend with domestic leaf in cigarettes. Its popularity with Thai smokers is shown by the increasing percentages used. From 1950 through 1952 about 33 percent of all the flue-cured used in Monopoly cigarettes was of U. S. origin; by 1957 the rate was an estimated 45 percent.

BE A MEAT EXPERT. The Livestock and Meat Products Division of FAS recently published a pamphlet called, "Livestock and Wool Reporting Manual." In it can be found worthwhile information on the subjects, generally, but of even greater value may be the glossary of terms used in the trade.

FLAXSEED. Subsequent to July 1, 1958 CCC has offered portions of its inventory of flaxseed for sale for domestic-crushing and/or export use. Since these sales began, CCC has sold 500,000 bushels at prices ranging from 3.21-1/4 for the first sale to 3.39-1/4 for bids accepted July 15. Bids on subsequent offers were rejected as too low.



FEED GRAIN PAYMENT-IN-KIND PROGRAMS. Since July 1, 1958 when the program became effective for oats, barley, rye and grain sorghums, subsidy payment bids have been accepted as follows:

Barley	7,682,460 bu. subsidy range 10-13¢ per bu.
Rye	1,380,000 bu. subsidy range 25-28¢ per bu.
Oats	280,000 bu. subsidy range 16¢ per bu.
Gr. Sorghums	2,300,000 cwt. subsidy range 27¢ to 30¢ per cwt.

Since the inception of the corn payment-in-kind program on May 17, CCC has accepted payment bids on a total of 33 million bushels at a range of 10¢ to 25¢.

CCC MONTHLY SALES LIST FOR AUGUST 1958. The following commodities are available: Butter, nonfat dry milk, cheddar cheese, cotton (upland and extra long staple), peanuts, corn, wheat, oats, barley, rye, grain sorghums, soybeans, flaxseed, rice (rough and milled), dry edible beans, gum rosin, gum turpentine, and tobacco.

Principal changes in the list this month are a shift to a new-crop (1958) basis of minimum pricing for domestic sales of upland cotton and rice, the addition of a limited quantity of broken rice as announced July 22, and a revision of the minimum-pricing basis for wheat, barley, rye, and grain sorghums, (except for sorghums produced in Arizona, California, Idaho, Nevada, New Mexico, Oregon, Utah, and Washington), stored at other than designated terminals.

Interest rates per annum under the CCC Export Credit Sales program for August 1958 are 1-5/8 percent for periods up to six months, 2-1/8 percent for periods from over six and up to 18 months, and 2-5/8 percent for periods from over 18 months up to a maximum of 36 months.

FOREIGN FREE WORLD GOLD AND DOLLAR ASSETS resulting from transactions with the United States have increased for the second quarter in a row. Two-quarter gain from October 1, 1957 through March 31, 1958 was close to \$1 billion as contrasted with a \$900 million loss in the three quarters from January 1 through September 30, 1957. Continued improvement in 1958 is likely.

Industrial nations--where most of the improvement in payments position has occurred--now can more easily endure financial strain. Opportunities are increased for further trade liberalization, reduced discrimination against dollar imports, and continued purchases of U. S. farm products. Countries not yet financially strong enough to maintain purchases at 1957 levels from the United States are Japan and France. Cotton and tobacco may not benefit fully because of reduced economic activity abroad.

As for the newly developing countries--still beset by balance of payments difficulties--special U. S. export programs will continue to be an important means of supplying much of their food and fiber needs.

COTTON TEXTILE EXPORT PROGRAM. Total payments since the inception of the program in 1957 have equalled slightly more than \$28 million against approximately 154,000 registrations. About 110 countries have been listed as destinations. Almost 50% of the payments, however, have been for shipments to Canada, Cuba and the Philippines.

TABLE I, GUIDE TO COMMERCIAL SALES

Commodity	Unit	Grade, Type or Variety	Location	Latest Price Week of 8/9/58	Price Year Earlier
Wheat 1/	Bushel	#2 H. W.	Galveston	\$ 2.11-2.23	\$ 2.28-2.40
" 2/	"	#1 S. W.	Portland	1.97	2.31-2.32
" 3/	"	#2 S. R. W.	Baltimore	2.03	2.30-2.31
Barley 4/	"	#3 Feed	Baltimore	1.18-1/2	--
"	"	"	New Orleans	1.25	--
"	"	#2 Western	San Francisco	1.14-7/8	--
Corn 4/	"	#2 Yellow	Baltimore	1.61	--
"	"	"	New Orleans	1.43-1/4	--
Grain Sorghum 4/	Cwt.	#2 Yellow Milo	Gulf	2.10	--
Oats 4/	Bushel	#2 White	Baltimore	.78-5/8	--
"	"	"	New Orleans	.82	--
Pinto Beans	Cwt.	#1 Pinto	FAS Gulf	7.50	--
Dry Peas	Cwt.	#1 Alaska, whole	FAS West Coast	5.75	--
Cottonseed Oil	Pound	B.P.S.Y.	Sept. Fut. N. Y.	.1370	.1515
Soybean Oil	"	Refined	New York	.1275	.1400
Cottonseed Oil	"	Crude	Valley	.1175	.1300
Soybean Oil	"	Crude	Decatur, Ill.	.1012	.1125-.1138
Linseed Oil	"	Raw	Minneapolis	.1370	.1320
Lard	"	Refined 50# tin	Chicago	.1550	.1575
Tallow	"	Prime Inedible	Chicago-FOB	.0775	.07875
Greases	"	Choice White	" "	.08625	.0950
Soybeans	Bushel	#1	Chicago	2.26-2.28	2.48
Cottonseed Meal	Sh. Tn.	41% Bagged	Memphis	68.00	58.50
Soybean Meal	" "	44% Bagged	Decatur	72.10	52.00
Milk, Evap.	Case	48-14 1/2 oz.	Pac.Cst.Mkts.	6.10-6.60	5.95-6.45
Eggs, Shell	Doz. Med.	Mixed colors	New York	.3550-.3650	.3650-.3750
" Dried	Pound	Whole	" "	1.07-1.23	.98-1.03
Beef Trimmings	"	75-85% lean froz.	Chicago	.3800	.2950
Beef Hearts	"	Regular frozen	"	.2900	.2300
Beef Livers	"	" "	"	.2300	.1850
Pork Trimmings	"	" "	"	.2850	.2400
Chicken, R. C.	"	Gr. A Broilers	New York	.2950-.3000	.3450-.3750
Turkey, R. C.	"	Gr. A. Beltsville	" "	.4150-.4250	.3100-.3200
Canned Apricots	Doz. #2-1/2	Choice Halves	FOB-Calif.	3.75	3.00
" Peaches	" "	" "	" "	2.80	2.60
" Pears	" "	" "	" "	3.50	3.50
Grapefruit Secs.	Doz. #303	Fancy, Lt. Syrup	FOB-Florida	1.75	1.60
Orange Juice	Doz. 46 oz.	Sweetened	FOB-Florida	3.75	2.15
Oranges, Fresh	Std. Ctn.	Size 163	FOB-Calif.	2.42	1.71
Raisins	Lb. Bulk	Natl. Thompson	FAS-Calif.	.21	.1275-.13
Prunes	Pound	80-90	" "	.125-.13	.0975
Lemons, Fresh	Std. Ctn.		FOB-Calif.	2.52	2.73

- 1/ Export payment all destinations except Latin America and West Indies, \$.37; to Latin America and West Indies, \$.34. 2/ Export payment - all destinations, \$.27.  
 3/ Export payment - all destinations \$.37. 4/ Export payment accepted by CCC for August-September shipment: barley, \$.10-.11; corn, \$.20-.22; grain sorghums, \$.27; oats, \$.13-.14.

TABLE II, CCC PORT PRICES FOR EXPORT

Commodity	Unit	Grade, Type or Variety	Port Location	Latest Price	Date of Sales 1958
Rice	Cwt.	Rough	Dallas	\$3.52	August 4-8
Butter	Pound		Any U. S. Port	.39 (fixed)	
Milk	"	Spray	Any U. S. Port	.099 (fixed)	
Cheese	"	Cheddar	Any U. S. Port	.22 (fixed)	
Cotton	"	Upland	Any U. S. Port and Storage Location	.2842	" "